LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 6623 NOTE PREPARED: Dec 28, 2009

BILL NUMBER: SB 180 BILL AMENDED:

SUBJECT: Information on Liability Insurance.

FIRST AUTHOR: Sen. Leising BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL IMPACT: State

DEDICATED FEDERAL

<u>Summary of Legislation:</u> This bill requires a holder of a retailer's permit to provide information to the Alcohol and Tobacco Commission (ATC) concerning: (1) whether the person maintains a policy of liability insurance to cover liability for damages that may arise out of the holder's sale of alcoholic beverages; and (2) if the holder maintains a policy of liability insurance, the policy coverage limits of the liability insurance. It requires the Commission to compile the information and, before December 31 of each year, provide the information to the Legislative Council.

Effective Date: July 1, 2010.

Explanation of State Expenditures: ATC: This bill will increase administrative expenditures for the ATC. The ATC reports that the provisions of this bill cannot be implemented within the existing resources available. The bill requires the a holder of a retailer's permit to provide information to the ATC concerning: (1) whether the person maintains a policy of liability insurance to cover liability for damages that may arise out of the holder's sale of alcoholic beverages; and (2) if the holder maintains a policy of liability insurance, the policy coverage limits of the liability insurance. The ATC is required to compile the information and, before December 31 of each year, provide the information to the Legislative Council. The ATC reports that to integrate the new reporting requirement with their existing system would require significant expenditures. A manual system would likely be necessary requiring some additional workload on ATC staff or expenditures for temporary staff to collect, record, and compile the data.

Explanation of State Revenues:

Explanation of Local Expenditures:

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Explanation of Local Revenues:

State Agencies Affected: ATC.

Local Agencies Affected:

<u>Information Sources:</u> Ed Dunsmore, ATC, 317-232-2472.

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